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**For immediate release**

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***Kernan signs Senate Enrolled Act 1 into law  
giving targeted property tax relief to Hoosiers***

*Extended deadline for deduction filing is Monday, Dec. 15*

Gov. Joe Kernan today signed Senate Enrolled Act 1 into law providing taxpayers with targeted relief following this year's statewide, court-ordered property tax reassessment.

SEA 1 offers several provisions that will impact what property owners will pay, including allowing eligible homeowners who missed the May deadline additional time to file for deductions.

"Homeowners have until Dec. 15 to file for the homestead credit, mortgage deduction and other deductions for veterans, low-income seniors and homeowners with disabilities," Kernan said. "These deductions will be applied to your 2004 tax bills."

It is estimated that as many as 95,000 homeowners who qualify for these deductions have not filed. The extension provided by the new law could save taxpayers an estimated \$70 million over the next two years.

In early October, Kernan sent letters to each county auditor asking them to begin collecting deduction applications in anticipation of the filing deadline being moved to Dec. 15.

Taxpayers can obtain and file the deduction applications at their county auditor's office. The forms also are available on the Indiana Department of Local Government Finance Web site under *Forms* at [www.in.gov/dlgf/](http://www.in.gov/dlgf/), but still must be filed with the local county auditor.

SEA 1 also gives counties permission, with state approval, to offer installment payment plans to taxpayers and waive the 10 percent late payment fees. Petitions requesting such approvals must be submitted to the DLGF, signed by the county auditor and treasurer, with approval from their county fiscal body.

"We want to offer as much flexibility as we can to help taxpayers make budget adjustments as a result of the court-ordered reassessment," Kernan said. "We know the opportunity to spread payments out over the next year will help many Hoosiers."

In addition, the legislation allows taxpayers to receive a \$2,500 income-tax deduction for 2003 property taxes even if they are paid in 2004. So far, 62 counties have mailed their tax bills, however many Hoosiers won't get their tax bills until 2004. Those who pay in 2004 can still get their deductions for their 2003 Indiana income taxes.

Other provisions in the bill streamline the assessment appeals process and make it easier for taxpayers to meet with their local assessment officials. The law also makes it easier for taxpayers to object when local governments and public schools want to build new buildings paid for by property taxes.

Finally, under SEA 1 local governments are not able to "bank" levy increases for future years or collect and keep more than they budget to spend in a given year. The bill also prevents local governments from inflating of tax rates on school and local government budgets by ensuring there is money available for refunds to taxpayers who win appeals.

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